

STATE OF IOWA  
PROPERTY ASSESSMENT APPEAL BOARD

**Nathan & Shannon Strickler,**  
Petitioners-Appellants,

v.

**Polk County Board of Review,**  
Respondent-Appellee.

**ORDER**

**Docket No. 11-77-1119**  
**Parcel No. 241/00993-733-224**

On July 13, 2012, the above-captioned appeal came on for consideration before the Iowa Property Assessment Appeal Board. The appeal was conducted under Iowa Code section 441.37A(2)(a-b) and Iowa Administrative Code rules 701-71.21(1) et al. Petitioners-Appellants, Nathan and Shannon Strickler, requested their appeal be considered without hearing. They were self-represented. Assistant County Attorneys Ralph E. Marasco, Jr., David Hibbard, and Anastasia Hurn are counsel for the Board of Review. The parties relied on evidence in the certified record from the Board of Review to support their positions. The Appeal Board now having examined the entire record, and being fully advised, finds:

***Findings of Fact***

Nathan and Shannon Strickler, owners of property located at 7625 Silverstone Court, Johnston, Iowa, appeal from the Polk County Board of Review decision reassessing their property. According to the property record card, the subject property is a two-story, frame dwelling built in 2009 with 3474 square feet of total living area on 0.684 acres. It has a full, unfinished basement; a 596 square-foot, concrete patio; and a 765 square-foot, open porch. The dwelling also has a 982 square-foot, attached garage. It has a 2+10 quality grade and is in normal condition. The lot value has a -10% adjustment for

excess size. The real estate was classified as residential on the initial assessment of January 1, 2011, and valued at \$569,100, representing \$170,300 in land value and \$398,800 in dwelling value.

Stricklers protested to the Board of Review on the grounds that (1) the assessment was not equitable as compared to similar properties in the taxing jurisdiction under Iowa Code 441.37(1), and (2) that the property was assessed for more than the value authorized by law under section 441.37(1)(b). They challenged only the land value allocation and believe its actual value was \$100,000. The Stricklers also challenged the assessment on the basis that there had been a downward change in value of the property under sections 441.35 and 441.37(1). In a re-assessment year, a challenge based on downward change in value is akin to a market value claim. *See Dedham Co-op. Ass'n v. Carroll County Bd. of Review*, 2006 WL 1750300 (Iowa Ct. App. 2006). Accordingly, we do not consider downward change as a separate claim and consider only the claims of inequitably assessment and over-assessment.

The Board of Review granted the protest, in part, and reduced the land value to \$153,300, for a total assessment of \$552,100.

Stricklers then filed their appeal with this Board and urged the same grounds.

The record indicates Stricklers paid \$139,900 for the land in September 2009. The subsequent assessments were \$145,700 in 2010 and \$170,300 for the initial 2011 assessment. This was an 18% increase since the purchase date.

In a letter to the Board of Review, the Stricklers first compared their land assessment to the land assessment of 7621 Silverstone Court. They assert, this property is approximately the same size (0.688 acres) and shape as the subject property, but has a more desirable location. The owners purchased it in October 2010 for \$97,000 and its 2011 assessed land value is \$122,700, nearly 30% less than the subject's land assessment. We note this assessment was only a partial assessment because the dwelling and site improvements were still under construction as of the assessment date. These

facts make the assessment not comparable. The comparison of an improved lot to a partially improved lot is not a reliable measure of equity. The incomplete construction of 7621 Silverstone Court, understandably, would result in its lower assessment.

Secondly, Stricklers reference the property located at 7601 Silverstone, a 43,958 cul-de-sac lot, which backs to a wooded conservation area. It was purchased in early-January 2011 for \$125,000. The 2011 assessment for this lot is \$144,300, roughly 13% higher than the purchase price. Again the fact that this property is an unimproved lot, as compared to Stricklers' improved site, makes them dissimilar and distorts any comparison. This difference likely accounts for Stricklers' higher assessment.

Additionally, Stricklers contend the comparison of their 2009 purchase price with the 2011 purchase price of 7601 Silverstone demonstrates market decline. They referenced five other properties in the neighborhood that also received 2011 assessments that were less than the 2010 assessments on an average of -5%. They also submitted a Des Moines Register article dated April 2011, which reported an over-all 3.6% decline in Grimes assessments. While this does support the generally market decline in the town, we need specific evidence establishing the subject property's market value in the reassessment year.

Included in the certified record is the Board of Review Appraiser Analysis completed by the Polk County Assessor's Office. The analysis indicates the appraiser's belief that land value in the subject property's area had been a problem because of a low market. Appraiser Stevens, however, believed the total assessed value was correct. The analysis indicates the appraiser recommended no change, but another area of the form gives a recommended value of \$552,100, with a land value of \$153,300, which is what the Board of Review adopted. The analysis commented that Stricklers' first comparable was an unimproved, vacant lot, and their second comparable was a partial value because



construction was not completed. Ultimately, this analysis is of little import in determining whether the subject property is equitably assessed or over assessed because of is limited information.

After reviewing all of the evidence, we find the Stricklers did not prove the property is inequitably assessed or over-assessed as of January 1, 2011.

### ***Conclusion of Law***

The Appeal Board applied the following law.

The Appeal Board has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A (2009). This Board is an agency and the provisions of the Administrative Procedure Act apply to it. Iowa Code § 17A.2(1). This appeal is a contested case. § 441.37A(1)(b). The Appeal Board determines anew all questions arising before the Board of Review related to the liability of the property to assessment or the assessed amount. § 441.37A(3)(a). The Appeal Board considers only those grounds presented to or considered by the Board of Review. § 441.37A(1)(b). But new or additional evidence may be introduced. *Id.* The Appeal Board considers the record as a whole and all of the evidence regardless of who introduced it. § 441.37A(3)(a); *see also Hy-vee, Inc. v. Employment Appeal Bd.*, 710 N.W.2d 1, 3 (Iowa 2005). There is no presumption that the assessed value is correct. § 441.37A(3)(a).

In Iowa, property is to be valued at its actual value. Iowa Code § 441.21(1)(a). Actual value is the property's fair and reasonable market value. *Id.* "Market value" essentially is defined as the value established in an arm's-length sale of the property. § 441.21(1)(b). Sale prices of the property or comparable properties in normal transactions are to be considered in arriving at market value. *Id.* If sales are not available, "other factors" may be considered in arriving at market value. § 441.21(2). The assessed value of the property "shall be one hundred percent of its actual value." § 441.21(1)(a).

To prove inequity, a taxpayer may show that an assessor did not apply an assessing method uniformly to similarly situated or comparable properties. *Eagle Food Centers v. Bd. of Review of the City of Davenport*, 497 N.W.2d 860, 865 (Iowa 1993). Alternatively, a taxpayer may show the property is assessed higher proportionately than other like property using criteria set forth in *Maxwell v. Shriver*, 257 Iowa 575, 133 N.W.2d 709 (1965). The gist of this test is ratio difference between assessment and market value, even though Iowa law now requires assessments to be 100% of market value. § 441.21(1).

The Stricklers listed two properties located in their neighborhood as equity comparables; however, neither property was assessed as a full assessment, but instead was only partially valued because the properties were in various stages of construction. Because the properties were not comparable for this reason, the Stricklers did not show inequity under the tests of *Maxwell* or *Eagle Foods*.

In an appeal that alleges the property is assessed for more than the value authorized by law under Iowa Code section 441.37(1)(b), there must be evidence that the assessment is excessive and the correct value of the property. *Boekeloo v. Bd. of Review of the City of Clinton*, 529 N.W.2d 275, 277 (Iowa 1995). While the evidence suggested the property may have been initially over assessed, it does not support this claim after the reduction was made by the Board of Review. There is no evidence in the record to establish the correct value of the land is \$102,300, for a total assessment of \$552,100, as urged by the Stricklers.

Viewing the evidence as a whole, we determine the Stricklers have failed to prove by a preponderance of the evidence their property is inequitably assessed or over-assessed as of January 1, 2011. Therefore, we affirm the property assessment as determined by the Board of Review.

THE APPEAL BOARD ORDERS that the January 1, 2011, assessment as determined by the Polk County Board of Review, is affirmed.

Dated this 28 day of August 2012.

Jacqueline Rypma  
Jacqueline Rypma, Presiding Officer

Richard Stradley  
Richard Stradley, Board Member

Karen Oberman  
Karen Oberman, Board Chair

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Certificate of Service	
The undersigned certifies that the foregoing instrument was served upon all parties to the above cause & to each of the attorney(s) of record herein at their respective addresses disclosed on the pleadings on <u>8-28</u> , 201 <u>2</u>	
By:	<input checked="" type="checkbox"/> U.S. Mail <input type="checkbox"/> FAX
	<input type="checkbox"/> Hand Delivered <input type="checkbox"/> Overnight Courier
	<input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Other
Signature	<u>[Signature]</u>